first annual results 06/07

Strengthening Partnerships, **Building** Futures

First Nations Economic Partnerships Initiative

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minister's message

I am pleased to introduce the first annual report on the First Nations Economic Partnerships Initiative (FNEPI). FNEPI is an opportunity and an investment. Its primary goal is to enable Alberta's First Nations people and communities to participate more actively in our thriving economy.

FNEPI was developed with input from Alberta First Nations and industry leaders, and is delivered in collaboration with Alberta Employment and Immigration. FNEPI programs and projects focus on developing partnerships and capacity. Capacity building is critical to achieving First Nations self-reliance and has been a long standing priority of the government.

Since its inception in 2005, this initiative has resulted in 77 projects involving 23 First Nations, nine regional/tribal organizations, and their industry and other partners. Early success stories include strategic partnerships across the resource industry sectors; community-based training for improved involvement in environmental management; and increased engagement of Alberta First Nations with local and regional economic partners. FNEPI projects have also identified some promising practices for enhancing First Nations participation in Alberta's economy.

The transfer of business knowledge and skills is contributing to the development of entrepreneurship. Current and aspiring entrepreneurs are benefiting from hands-on business advisory services, new information resources and opportunities to share experiences with other Aboriginal business people.

Together with all FNEPI partners, I look forward to greater success in the months and years to come. I am confident that by continuing to build on the commitment, interest and expertise among First Nations communities and their partners, First Nations Albertans will achieve full participation in the economic life of Alberta.

Gene Zwozdesky

Gene Zwozdesky
Minister of Aboriginal Relations

introduction

The First Nations Economic Partnerships Initiative (FNEPI) was developed in consultation with First Nations and industry. It is designed to increase First Nations participation in the economy by:

- Supporting the development of effective partnerships between First Nations, industry, government and other stakeholders.
- Strengthening First Nations economic capacity.
- Assisting in the development of a viable First Nations private sector.

This report presents results of FNEPI from early fall 2005 to March 31, 2007. It includes a brief history and background, and an overview of related programs and projects. The information is organized according to FNEPI's three main objectives:

1. Partnerships: To support the development of sustainable partnerships between First Nations and industry, government, and other stakeholders.
2. Capacity Building: To strengthen First Nations' capacity to take advantage of current and future economic opportunities.
3. Small Business Development: To assist in the development of entrepreneurship and a viable First Nations private sector.

Included in the report are success stories from program participants and examples of promising practices that are emerging from FNEPI projects.

strengthening first nations participation in the economy

Increasing economic participation by First Nations contributes to the continued growth of the Alberta economy and to improved socio-economic conditions in First Nations communities. The strong Alberta economy continues to generate significant economic opportunities and demand for skilled workers. First Nations and other Aboriginal communities represent an under-explored work force and a potential long-term source of local skilled labour.

Leaders from Alberta First Nations and various industry sectors have identified increased First Nations economic participation as a high priority. First Nations are also looking for opportunities to benefit from the strong Alberta economy. At the same time, industry is increasingly committed to partnerships and the transfer of managerial skills through business relationships.

A recent government report on the rapid growth of oil sands development noted that Aboriginal people in northern Alberta are not participating in the economy at the same rate as other Albertans:

"This has significant social costs, both to individuals and to society as a whole. Aboriginal people want to play a role in Alberta's booming economy and help to meet the current labour shortage in the oil sands and throughout the province."[1]

Investing in the future

FNEPI is intended to enhance the economic self-reliance of Alberta First Nations through increased participation in the provincial economy. FNEPI supports the first goal of Alberta's Aboriginal Policy Framework (APF): individual and community well being and self-reliance. FNEPI promotes more effective engagement and co-operation among First Nations communities and organizations, industry, governments and other partners. It is aligned with Alberta's vision as stated in the Aboriginal Policy Framework:

"...a future in which strong, sustainable Aboriginal economies support self-reliant First Nations, Metis and other Aboriginal communities and people. Capacity building and economic development are the key to unlocking this future."[2]

FNEPI programs and projects focus on addressing community priorities for enhanced economic participation. Many projects include capacity building to assist all parties with partnership skills. These skills can lead to increased opportunities for employment, entrepreneurship, and business development.

The Government of Alberta launched FNEPI in the fall of 2005. It involved an initial provincial investment of $10 million over three years.

[1] Government of Alberta. 2006. Investing in our Future: Responding to the Rapid Growth of Oil Sands Development. Final Report – December 29, 2006. Page 96.

[2] Government of Alberta. 2000. Strengthening Relationships: The Government of Alberta's Aboriginal Policy Framework. Page 7

FNEPI programs and projects

FNEPI provides strategic support to First Nations communities and organizations and their partners to develop their abilities to work together on successful economic ventures. FNEPI programs and projects complement one another to address program gaps and provide co-ordinated support for enhanced First Nations economic self-reliance.

How FNEPI programs and projects are delivered

Two provincial ministries administer FNEPI programs and initiatives and work with First Nations organizations and their partners on specific economic participation projects. Programs that provide funding have their own eligibility criteria:

Alberta Aboriginal Relations (AR) supports partnership development through the Strategic Economic Initiatives program. The Ministry also supports capacity building through the Regional Partnerships Development and Economic Capacity Building (ECB) programs.

Alberta Employment and Immigration (EI) supports capacity building for work force planning through its Labour Force Planning Initiative. The Ministry also provides targeted support to Aboriginal service delivery organizations to deliver business information and advisory services to Aboriginal entrepreneurs.

FNEPI programs and projects are adapted on an ongoing basis as promising practices emerge.

highlights from FNEPI's first two years

The Government of Alberta launched FNEPI in the fall of 2005, with several programs being introduced as pilot projects. Other aspects of FNEPI became fully operational in 2006-07.

Between late 2005 and March 2007, FNEPI has resulted in 77 projects, involving 23 Alberta First Nations and nine regional/tribal organizations. First Nations project partners include a variety of private industry and public-sector organizations across a wide range of economic sectors.

A new Community Economic Development Toolkit was developed to provide access to current knowledge for community practitioners across the province. Capacity building has emerged as a key element of success in First Nations economic participation projects. First Nations organizations need dedicated human resources in order to move forward with strategic planning, business development and other economic participation projects.

The transfer of business knowledge and skills is contributing to the development of entrepreneurship. Current and aspiring entrepreneurs are benefiting from hands-on business advisory services, new information resources and opportunities to share experiences with other Aboriginal people in business.

1 – partnerships

Partnerships are critical to enhancing First Nations participation in the Alberta economy.

FNEPI supports partnerships through the Strategic Economic Initiatives (SEI) program, administered by Alberta Aboriginal Relations. The SEI program supports individual First Nations and regional/tribal organizations to identify strategic opportunities for the development of partnerships with industry, governments, and other private and public sector partners.

Many SEI projects have a regional focus. All SEI projects have an industry partner. Each project:

- addresses community priorities;
- demonstrates significant strategic value; and
- contributes to current understandings of First Nations economic development.

Results to March 2007

With support from the SEI program, Alberta First Nations have initiated strategic partnerships among themselves, with public sector partners, and with a wide range of industry partners. Economic sectors represented include: resource development (energy, forestry, and mining), construction, holistic medicine, manufacturing and environmental services.

FNEPI Partnership Projects to March 2007

Number of Projects	2005-06	2006-07
Strategic Economic Initiatives (SEI)	9	16

The SEI program has supported 25 strategic partnerships since 2005, as shown in the table above. These strategic partnerships involved 20 Alberta First Nations and three regional/tribal organizations.

Bigstone Cree Nation
Resource Partnerships Project

This partnership between the Bigstone Cree Nation (BCN) and Alberta Pacific Forest Industries Inc. (ALPAC) includes the "Back Lakes" communities (Calling, Chipewyan, Peerless and Trout Lakes) and 10 industry partners.

It involves the secondment of an ALPAC consultant to the BCN to support the First Nation in developing the partnership.

Through the Resource Partnerships Project, a First Nation-government-industry process is being developed to share information and explore options regarding economic benefits from the oil and gas, forestry and mining sectors. The project partners have established a joint working group with terms of reference outlining expectations.

The partners are supporting the development of an opportunity profile to facilitate contracting, training, employment and business opportunities. They hope to set the groundwork for a strategic regional economic development plan.

"The communities are very pleased with industry participation in the process and results have met or exceeded expectations. Industry and communities are mutually benefiting and this could be a model for others. The provincial contribution was significant in helping the partners to advance this project."

ALPAC Consultant seconded to the Bigstone Cree Nation

"This project has had a very positive impact with industry and government. The joint working group has been an important forum for a wide variety of participants and the communities believe that ALPAC listens to their concerns. The Resource Partnerships Project has created employment for Band members."

Representative, Bigstone Cree Nation Consultation Office

First Nations Land Stewardship Internship Project

This partnership with the Alberta Research Council (ARC) includes three First Nations, one Tribal Council, three industry partners, three provincial ministries, and the Canadian Forest Service. ARC is making a significant "in kind" contribution, and participating communities are covering travel and accommodation costs for their interns.

The First Nations Land Stewardship Internship project aims to build community capacity for participation in environmental management, including technical review of development proposals, environmental monitoring and integration of traditional knowledge. It features community-based training with both a practicum and employment for community interns.

This project contributes to more effective community engagement with industry and government. Interns were recruited in 2006-07; formal training will begin in 2007-08.

Fort McKay First Nation Business Incubator Feasibility Study

In partnership with Suncor Energy Inc., the Fort McKay First Nation is exploring the feasibility of establishing a business incubator at the Caribou Energy Park. The business incubator would be a resource for small entrepreneurs wishing to offer services to industries operating in the oil sands.

The Caribou Energy Park is a new joint venture between the Fort McKay First Nation and Waiward Steel Fabricators Ltd. of Edmonton. Caribou Energy Park offers industrial sites with accessibility and proximity to Alberta's oil sands operations.

partnership success stories

Sunchild First Nation
Development Corporation Enhancement

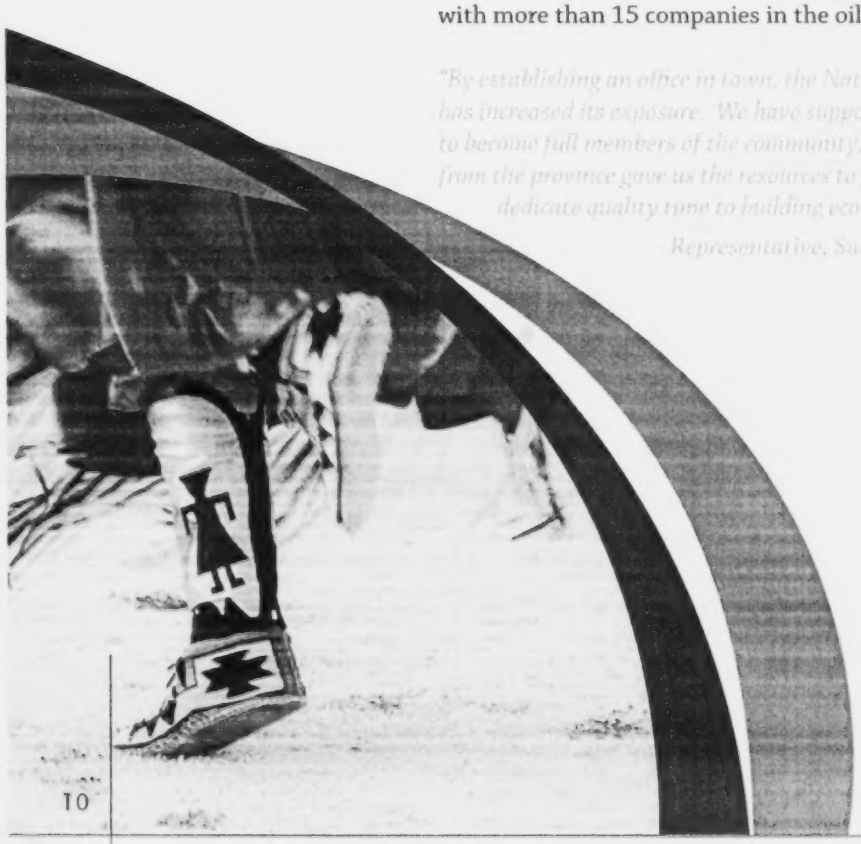
The Sunchild First Nation is a semi-isolated community. The community is taking a holistic approach to economic participation that includes regional participation, education and economic partnerships.

With support from the SEI program, the Sunchild First Nation is enhancing an existing partnership with Prentice Creek Contracting. An entity separate from the First Nation administration has been established to develop business relationships with off-reserve industries.

With support from the town, the Sunchild First Nation has established an office on Main Street in Rocky Mountain House. The Nation has also joined the regional economic development alliance and is exploring opportunities with more than 15 companies in the oil, gas and forestry sectors.

"By establishing an office in town, the Nation is closer to potential markets and has increased its exposure. We have support from the county as well as the town to become full members of the community, the county and the region. The support from the province gave us the resources to get this project off the ground and dedicate quality time to building economic partnerships."

Representative, Sunchild First Nation



2 - capacity building

FNEPI capacity building programs support the development of First Nations people and communities, leading to self-reliance. These programs focus on enhancing the ability of First Nations and associated organizations to identify, plan and implement economic participation initiatives.

FNEPI capacity building programs include:

- Regional Partnerships Development (RPD): The RPD program, administered by Alberta Aboriginal Relations (AR), supports First Nations and regional/tribal organizations to engage dedicated staff resources to enhance economic participation. Regional Economic Partnership Coordinators (REPCs) work directly with First Nations to identify strategic opportunities for partnership development with industry, government and other potential partners. AR also supports an REPC network that provides training opportunities, information on available funding sources, and a forum for sharing of information and experiences for mutual benefit.

- Economic Capacity Building (ECB): The ECB program, administered by AR, supports rural and urban First Nations and other Aboriginal organizations to undertake specific projects aimed at developing skills and knowledge to enhance economic participation and self-reliance. Projects supported by the ECB program focus on enhancing the ability to identify, plan and implement economic development projects.

- Labour Force Planning: This initiative, administered by Alberta Employment and Immigration, provides targeted resources to First Nations and regional/tribal organizations to assist them with strategic human resource planning related to workforce development. Support may also be provided to not-for-profit, non-First Nation partners, where there is First Nation support. Eligible activities include: development of labour force planning tools and resources; identification of local and regional opportunities for economic participation; assessment of community readiness to participate in the economy; or development of organizational structures and processes to improve case management and client services.

Results to March 2007

Through FNEPI, the province has supported 52 capacity building projects since 2005, as shown in the table. These projects have involved 10 First Nations and nine regional/tribal organizations.

FNEPI Capacity Building Projects to March 2007

Number of Projects	2005-06	2006-07
Regional Partnerships Development	11	13
Economic Capacity Building	4	9
Labour Force Planning	6	9
Total	**21**	**31**

Regional Partnership Development agreements enabled six First Nations and eight regional/tribal organizations to retain Regional Economic Partnership Coordinators to assist them in identifying and enhancing strategic partnership opportunities with industry and government.

Since the fall of 2006, Economic Capacity Building projects have supported two First Nations and four regional/tribal organizations to address priority issues related to economic participation. ECB projects addressed governance, organizational development, needs assessment, engagement of youth, development of tools and training materials, and economic participation pilot projects. Individual projects also included partnerships with industries, post-secondary institutions and professional organizations.

The *Labour Force Planning* initiative supported two First Nations and four regional/ tribal organizations to initiate workforce development projects. These projects included trades awareness for youth, aboriginal employee retention, integrated regional service delivery, and liaison with local and regional industries.

capacity building success stories

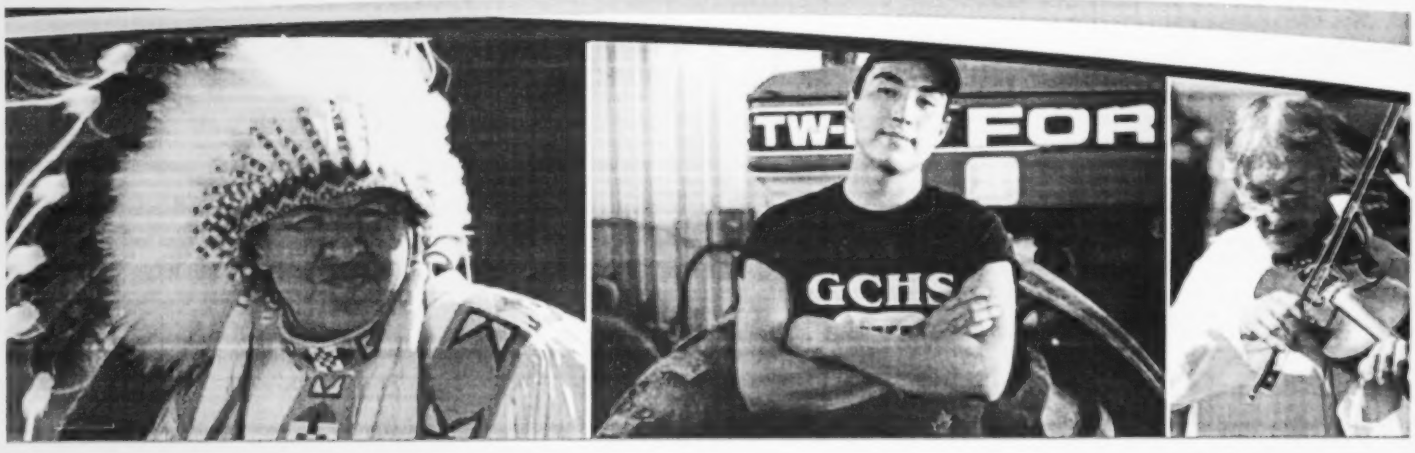
Community Economic Development Toolkit

Alberta Aboriginal Relations supported the development of the *Community Economic Development Toolkit* as a resource for REPCs, First Nation staff and decision-makers, and others interested in promoting Aboriginal community economic development. The toolkit was developed with input from community economic development practitioners in Alberta and was completed in March 2007. It will be accessible via the Internet. Discussions are continuing with Keyano College regarding future curriculum and applied research in Aboriginal economic development. The toolkit

- defines and documents a comprehensive, generic, community-based economic development process;
- guides practitioners in implementing each stage of the community economic development process;
- provides access to the common body of knowledge related to Aboriginal community economic development; and
- identifies sources of funding and advisory support for Aboriginal community economic development.

Lesser Slave Lake Indian Regional Council Integrated Services Strategy

The five First Nations around Lesser Slave Lake are involved in a long-term workforce development project. The ultimate goal of the Lesser Slave Lake Indian Regional Council (LSLIRC) Integrated Services Strategy is to implement an integrated delivery system for training and employment services for the members of all five First Nations.



capacity building success stories

The objectives of the Integrated Service Strategy include an integrated governance structure and the establishment of "one-stop" employment service centres in each of the participating First Nations communities.

The LSLIRC hopes to improve co-ordination of employment and training services offered to individual band members. Common intake and assessment processes are being developed to improve communication, reduce duplication, and improve outcomes for clients.

With support from EI's Labour Force Planning initiative, the LSLIRC developed an organizational structure and process for integrated program and service delivery.

"The support from the province was essential to our moving forward with this project. This support directly addresses the lack of capacity at the First Nations level dedicated to economic development."

– Representative, Lesser Slave Lake Indian Regional Council

Saddle Lake Cree Nation Peyasew Oilfield Services

With support from the RPD program, the Saddle Lake Cree Nation devoted dedicated staff resources to the promotion of an existing band-owned oilfield services company. By focusing on the development of management systems, strategic planning, and enhanced liaison with industry, Peyasew Oilfield Services realized a 300 per cent increase in revenue between 2005 and 2006. The success of this venture has generated community and industry support for updating the community plan, which is 25 years old. The first draft of a new plan should be ready in 2007-08.

"The success of the company is creating more opportunities for the Nation. Businesses are now coming to us."

– Representative, Saddle Lake Cree Nation

3 – small business development

This aspect of FNEPI aims to support entrepreneurship and the development of a viable private sector economy. This is achieved by assisting First Nations and other Aboriginal people and organizations to acquire business-related knowledge and skills.

Alberta Employment and Immigration (EI) delivers all small business development initiatives. These initiatives provide support for existing business development organizations to increase access to business information and advisory services for Aboriginal entrepreneurs. Specific small business development projects include:

- extending existing business information and advisory services to First Nations and other Aboriginal organizations and entrepreneurs; and
- customizing and/or expanding business development resources for Aboriginal people.

Results to March 2007

EI helped business development and service organizations extend business advisory services to current and aspiring First Nations and Métis entrepreneurs.

Since 2005, 181 First Nations and other Aboriginal clients have received small business "pre-care" and "after-care" services through this initiative. "Pre-care" services include start-up planning, skills assessment, business plan development and training in specialized skills. "After care" services include financial troubleshooting and maintenance of business systems.

This initiative supported small business skills training for 160 Aboriginal entrepreneurs. EI encouraged the development of a viable First Nations private sector through support for specialized conferences and entrepreneurial training programs. With this support, The Business Link provided specialized training to more than 180 Aboriginal entrepreneurs.

EI also supported the delivery of information and awareness sessions to existing regional economic development organizations, as well as projects to increase awareness of private sector enterprise as a career option for Aboriginal youth.

Aboriginal Capital Corporation Business Development Services

Aboriginal Capital Corporations are specialized lending institutions that offer financing and other financial services to First Nation, Métis and other Aboriginal people. Small business services offered include word-of-mouth sharing of business development advice from experienced First Nation and Métis entrepreneurs. In addition to offering specialized services, the Aboriginal Capital Corporations are working together to visit schools and introduce youth to business and entrepreneurship options.

"Support from the Province has greatly enhanced our organization's ability to provide "hands-on" support to First Nations people."

- Representative, Alberta Indian Investment Corporation

"The support from the provincial government has helped us to expand our business development services. We can now provide business planning services to individuals and spend more time with individual clients. We can also travel to smaller communities to give business development workshops."

- Representative, Apeetogosan (Métis) Development Inc.

"The provincial funding really addressed a need amongst the Treaty 7 First Nations. Last year we were able to provide direct assistance to seven of our First Nations people to complete business plans."

- Representative, Treaty Seven Economic Development Corporation

s development success stories

The Business Link Resources for Aboriginal Entrepreneurs

The Business Link (Business Service Centre) was supported to extend business development programming to First Nations and other Aboriginal people.

Sharing Circles bring Aboriginal people in business together to exchange knowledge and expertise. Individuals receive coaching from each other to improve their presentation skills. Individuals from the Sharing Circles often act as guest speakers at The Business Link networking events held throughout the province.

A new Business Link publication, the *Guide for Becoming an Independent Contractor*, was developed in response to an increasing number of inquiries from Aboriginal people, especially in northern Alberta, interested in pursuing contract employment with local and regional industries. The Guide was completed in March 2007 and sent out to Aboriginal organizations across the province. Ongoing inquiries indicate a demand for this kind of information.

"This project's successes include increased self-confidence among Aboriginal business people and enhanced knowledge and skills. We would not have been able to offer this programming without provincial support."

Representative, The Business Link

lessons learned: promising practices

In addition to achieving positive overall results, FNEPI project partners identified several promising practices as described below. These will continue to evolve as the various parties further develop their abilities to work together on successful economic ventures.

Partnerships

- Regional Alliances: **Regional alliances can contribute to the success of strategic partnerships. Successful partnerships have included a number of companies in the same economic sector, several companies in different sectors and local governments.**
- Partner Contributions: **Project participants have demonstrated innovation in their contributions to project proposals. One industry partner contributed the secondment of a dedicated staff person to support the First Nation. Another project included travel and accommodation costs contributed by First Nation community partners.**
- Setting Expectations: **Written terms of reference can help the project partners to agree on their objectives and set expectations for their partnership.**

Capacity Building

- Community Knowledge Transfer: **Supported by the RPD program, members of a First Nation visited another First Nation to learn about its successful business ventures.**
- Dedicated Human Resources: **Dedicated staff resources are needed in order for First Nations organizations to successfully advance economic participation projects.**

Small Business Development

- Knowledge Transfer from Aboriginal Entrepreneurs: **Word-of-mouth sharing of lessons learned is a good way to transfer business development advice to aspiring entrepreneurs.**
- Confidence Building: **Building confidence is a key factor in the success of Aboriginal people in business.**

toward full nations participation in the economy

In its first two years of implementation, the First Nations Economic Partnerships Initiative (FNEPI) is showing promising results. First Nations organizations and individuals are forming new partnerships, building capacity, and learning about the broader and finer points of business. FNEPI participants have many success stories to share about their experiences and see solid benefits to being part of the initiative. Individuals and organizations alike are interested and eager to be part of the process. They have a strong personal stake in seeing First Nations people and communities play a larger role in Alberta's growing economy.

Based on the results to date, there is good reason to believe that FNEPI will make a positive difference in the lives of First Nations Albertans.

contact information

FNEPI provides support to Alberta First Nations communities and organizations through a number of specific programs. For further information on FNEPI and specific programs, including eligibility criteria, please contact:

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